

**BEFORE THE
PUBLIC SERVICE COMMISSION OF KENTUCKY**

In the Matter of:)	No. 2005-455
)	
dPi Teleconnect, L.L.C. v.)	
BellSouth Telecommunications, Inc.)	

**AFFIDAVIT OF STEVEN TEPERA EXPLAINING THE METHODOLOGY
OF THE CALCULATIONS FOR EXHIBIT 6 TO dPi's DIRECT TESTIMONY**

Before me, the undersigned notary, on this day personally appeared Steven Tepera, a person whose identity is known to me. After I administered an oath to him, upon his oath, he said:

1. My name is Steven Tepera. I am an attorney working for Foster Malish Blair & Cowan, LLP. My firm represents dPi Teleconnect, LLC ("dPi") in this matter. I am of legal age and sound mind, and otherwise able to make this affidavit.
2. The items herein are true and correct, and within my personal knowledge.
3. Exhibit 6, attached to the direct testimony and filed November 30, 2007, with the Alabama Public Service Commission are graphs that show numbers and frequency of line connection charge waivers given by AT&T to its end users from May 2003 through August 2007. I created those graphs. This affidavit will detail the methodology and underlying data for those graphs.
4. Attached to this affidavit are five (5) exhibits, numbered 8A through 8E. Exhibits 8C, 8D, and 8E are AT&T's responses to request for information and my analysis and summaries therefrom. Exhibits 8A and 8B are transfer letters from Phil Carver related to the data produced shown in Exhibit 8E.
5. The first two exhibits are:
 - Correspondence from Phil Carver, attorney for AT&T, dated October 29, 2007, explaining the meaning of all of the codes used by AT&T in the documents produced as Exhibit 8E (Exhibit 8A); and
 - Correspondence from Phil Carver, attorney for AT&T, dated November 9, 2007, explaining that the supplemental production of data is only for the years 2003 and 2004 (Exhibit 8B)

6. The first three exhibits attached to this exhibit are (in reverse order):
- AT&T’s responses to a discovery request to identify those orders AT&T filled for its retail customers involving new connections of basic service plus two of the three Touchstar Blocking Features originally at issue in this case, along with the amounts those customers were charged (approximately 981 pages of data) (Exhibit 8E) (the “data”);
 - a summary or tabulation of the data, performed by me (Exhibit 8D); and
 - a series of charts I created to display graphically the results of my tabulation of the data (Exhibit 8C).

ABOUT EXHIBIT 8E, THE AT&T DATA PROVIDED IN RESPONSE TO DISCOVERY:

7. The data – Exhibit 8E – is a true and accurate copy of an excerpt from discovery responses received by Foster Malish Blair & Cowan, LLP, on behalf of dPi. The data was provided in response to the following discovery request in Florida:

Please identify any and all occurrences, on a month to month basis beginning January, 2002, of an end user ordering from AT&T basic service plus any two of the three following features: the call return block (bearing in North Carolina the Universal Service Ordering Code [“USOC”] of “BCR”); the repeat dialing block (“BRD”); and the call tracing block, and “HBG” block. Please indicate what these customers were charged when implementing these services, including any and all recurring charges, non-recurring charges, and promotional charges.

8. Exhibit 8E consists of data produced at two different times by AT&T. Although AT&T initially objected to providing the data on various grounds, it was ultimately compelled by the Florida commission to provide the data requested for at least part of the time period requested. Thus, on September 26, 2007, AT&T supplemented its response with the requested data from January 2005 through August 2007 (“the first supplemental response”). A true and accurate copy of the entirety of the first supplemental response, with various orders highlighted, is included in Exhibit 8E.
9. On November 9, 2007, AT&T supplemented its response again with what appeared to be data from May 2003 to December **2005** (“the second supplemental response”). However, in the transfer letter from Phil Carver, it was clear that the second supplemental response “contains the requested information for the time frame of January 1, 2003, through December 31, **2004.**” This letter is included as Exhibit 8B. Thus, the 2005 data from the second supplemental response was ignored and the 2005 data from the first supplemental response

was used in my tabulations.¹ A true and accurate copy of the 2003 and 2004 portion (the non-overlapping portion) of AT&T's second supplemental response is included in Exhibit 8E as well.

10. Collectively, excluding the overlapping data from 2005, this amounted to 981 pages of data, mostly consisting of up to 33 or 38 orders (or portions of orders) per page.
11. A true and accurate copy of a letter we received from Phil Carver, attorney for AT&T, explaining the codes used in the data is attached to this affidavit as Exhibit 8A.
12. Decoding the data using the keys to the abbreviations provided by Phil Carver, I was able to identify those new service orders placed for:
 - (1) 1FR (that is, basic service);
 - (2) at least 2 of the Touchstar Blocking Features;
 - (3) and no other features; and
 - (4) that were not charged a line connection fee.

These were the orders that AT&T received that fit the criteria of being basic service plus two Touchstar Blocking Features and being granted the Line Connection Charge Waiver ("LCCW") promotion.

13. I counted the number of orders that met the above four criteria two times. The first time, I went through the entire 981 pages of data and recorded the number of orders that met the

1

AT&T claims that the second set of data is more favorable to AT&T and inferred or implied some dishonest motive from dPi's ignoring the second set of 2005 data and using the first set only. However, the two data sets overlapped for year 2005 and dPi was not told to disregard or use one portion of the overlapping data sets over the other, and did not want to incur additional expense by analyzing duplicate results. In fact, AT&T's transfer letter for the second data set indicated that it was to be used only for the period ending December 2004. In any event, dPi cannot verify that the data differs significantly between the two versions produced by AT&T for 2005, because dPi fully evaluated only a single set, relying on AT&T's representation that the materials it produced were responsive to the request for information propounded. dPi's cross checking simply involved verifying that a handful of orders that appeared in one version also appeared in the second, and left it at that. But even assuming *arguendo* that AT&T's claim that the 2005 billing system data (the first data set produced for 2005) showed that the line connection charge was waived 29 percent of the time, while the ordering system data (the second data set produced for 2005) showed that the line connection charge was waived 14 percent of the time, changes nothing: we see that notwithstanding the March 2005 internal publication of AT&T internal "policy" of not "counting" these kinds of orders as qualifying for the LCCW, 14% of such orders nonetheless had the Line Connection Charge waived in 2005.

four criteria page-by-page on an Excel spreadsheet. The second time through, I highlighted those that fit all four criteria. Then, on a page-by-page basis, I compared the number of orders on the Excel spreadsheet with the number of highlighted lines. If any discrepancy arose, I recounted on that page.²

ABOUT EXHIBIT 8D, THE DATA TABULATION:

14. Exhibit 8D is simply the record of the tabulations discussed above, and is a true and correct copy of the summaries of data I created. Thus, for Exhibit 8D, I collected the results of my work as described above in an Excel spreadsheet. The first page of Exhibit 8D shows a summary of the months of data from May 2003 to August 2007. It is a summation of the remaining pages of Exhibit 8D.
15. The remaining pages of Exhibit 8D are my page-by-page tabulations of the data provided in Exhibit 8E grouped by month, with each entry showing the bates stamp page number of the data page being evaluated, the total number of orders on that page, and the total number of orders on that page receiving the waiver.

ABOUT EXHIBIT 8C, THE CHARTS:


16. Exhibit 8C contains true and correct copies of three graphs showing different arrangements of the data from the first page of Exhibit 8D.
17. The first chart shows the percentage of orders of 1FR + 2 Touchstar Blocks awarded LCCW over time. The chart shows that waivers for such orders were issued approximately 28% of the time from May 2003 to December 2004, then decline sharply in early 2005, with the

2

By way of example of how the tabulation was done, refer to the first page of Exhibit 8.3, Bates stamped 000001. Per the letter of Phil Carver, orders that had their line connection charge waived were indicated by a WNR, WLC, or WSO (collectively, “W codes”) in column 6, titled “Account Waiver Code.” For instance, on 000001, seven lines are highlighted which have W codes. However, in some cases, AT&T reproduced the same order twice (presumably because two different W codes were applied to the same account); see e.g., the fourth and fifth highlighted lines, and the sixth and seventh highlighted lines. These entries were only counted once, as indicated by the hand-drawn bracket indicating that those two lines are to be counted as one order. Also, some orders were not counted at all if either a subsequent order showed the customer taking additional features later (*see e.g.*, p. 000002, lines 24 and 25 (line 25 shows account in line 24 taking “ESX” or call waiting)), or if the order showed that it was not an order for basic service (*see e.g.*, p. 000002, line 15 (“1FRCL” means Caller I.D. was on the line); and line 16 (“NXMCR” is an order for Basic Service plus Caller ID Deluxe with Anonymous Call Rejection)). Ultimately, the total number of qualifying orders on each page were noted on the bottom right hand corner of the page. I did this for each of the 981 pages of orders.

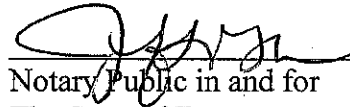
average for January 2005 through August 07 of approximately 14%. Also included on that chart are the dates and strengths of hurricanes and tropical storms in Florida. These are included to show no apparent correlation in Florida between the presence of a storm and the frequency of line connection charge waivers given to end users. This refutes AT&T's previous contention made in other states that end users have their line connection charge waived because they are simply reconnections of disconnections that occurred due to hurricanes.

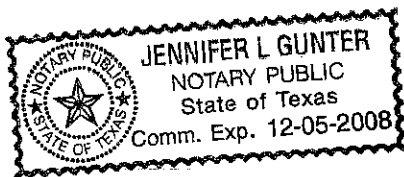
18. The second graph shows a comparison of 1FR + 2 Touchstar Blocks orders per month awarded LCCW versus those not awarded LCCW. These are the raw numbers, and not percentages as shown on the line graph.
19. The third chart shows the total numbers without taking time into consideration. Thus, it shows that 5,052 1FR + 2 Touchstar Blocks orders received LCCW, and 20,074 did not from May 2003 to August 2007.


Steven Tepera

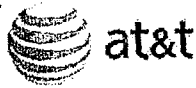
Further affiant sayeth not.

Sworn to and subscribed before me by Steven Tepera on April 30, 2008.


Notary Public in and for
The State of Texas



My commission expires: 12/05/2008



J. Phillip Carver
Senior Attorney
Legal Department

AT&T South
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

T: 404.335.0710
F: 404.614.4654
j.carver@att.com

October 29, 2007

Christopher Malish, Esq.
Poster Malish & Blair, L.L.P.
1403 West Sixth Street
Austin, TX 78703

Re: Docket No. 050863-TP; dPi Teleconnect, L.L.C. v. BellSouth
Telecommunications, Inc. before the Florida Public Service Commission

Dear Chris,

In response to your letter, dated October 8, 2007, AT&T Florida provides below the answers to your questions regarding the information produced in response to dPi's Request No. 1-19. As an initial matter, you state in the letter that dPi is seeking information regarding initial service orders. That is what AT&T produced. The information is not, as you appear to believe, a record of monthly recurring activity for subscribers to service consisting of 1FR + blocks. (See, pp. 1-2). Again, these are only the initial orders. Beyond this, the specific answers to your questions are as follow:

- (1) [I]n general, what AT&T contends the spreadsheet is showing (e.g., "every one of these orders shows an instance where a retail customer orders new basic service with two or more of the blocks.....")

AT&T Response: The spreadsheet provided to dPi on September 26, 2007 identifies each new order AT&T received from January 2005 through August 2007 that had a basic residential line and at least 2 of the 3 requested call blocks (BCR, BRD and/or HBG). Some of these orders also included features, in addition to blocks, and this information is provided as well.

AT&T was able to identify new orders because AT&T utilizes an order number naming nomenclature that aligns with the activity being performed. Order numbers beginning with an "N" indicate a "new account" and are used anytime a billing account is being established. This may include either a brand new account (e.g. new customer, split billing of existing account, or reacquisition/win over) or the re-establishment of a previously disconnected account (e.g. disconnection in error, re-establishment after force majeure, re-establishment following disconnect for non-pay).

EXHIBIT
A

Not all new orders are reacquisitions. Further, AT&T has not yet been able to determine which of the new orders are submitted by reacquisition or win-over customers. We have produced all new orders because that is what you requested. However, the new orders that were not submitted by reacquisition or win over customers are not part of the universe of retail orders that would qualify for the Line Connection Charge Waiver.

The spreadsheet also identifies whether the order has a waiver code to waive certain non-recurring charges, and includes a partial listing of certain Touchstar services or custom calling features that were identifiable on the service order. Waiver codes may be listed multiple times for a particular service order, but will only be applied once for the entire service order. In the event the waiver code is placed in the Bill Section, that code will appear in the Account Waiver Code column adjacent to every appearance of the order number, regardless of whether that waiver code applies to that particular nonrecurring charge on the service order. For example, "WSO" only waives the line connection charge or the secondary service order charge, but does not waive any other nonrecurring charges.

Finally, the spreadsheet provides a column that identifies the recurring charges associated with a particular service or feature. In some instances, blanks appear in this column. The reasons for these blanks are explained below.

- (2) [T]he information AT&T believes is reflected under each of the columns (an explanation of the headings);

AT&T Response: Several of the column headings include the term "USOC," which stands for "Uniform Standard Ordering Code". AT&T utilizes USOCs for ordering different services and features and each service and feature is assigned a unique identifying USOC.

The following is an explanation of each column heading:

Month/Year:.....Lists the Month and Year of a particular service order

Account Number:.....Lists the Account Number associated with the service order

BCOS:.....Means "Basic Class of Service" and identifies the specific USOC that the customer ordered. This column includes only basic residential USOCs;

Order Number:.....Provides the service order number. All service orders listed are "N" orders (i.e., new accounts). These represent customers who are establishing a new billing arrangement with AT&T. As mentioned above, AT&T is not able to separately identify reacquisition and win-over customers in this list.

ADDED Blocked

USOC Combination:.....Lists 2 or 3 of the specific Call Blocks that were present on the service order. The specific USOCs are BCR, BRD and/or HBG.

Account Waiver Code;.....Identifies whether a particular waiver code was entered into the bill section of the service order. (See Note Below.)

Service or Feature USOC.....Lists certain USOCs, either services or features, included in the service order.

USOC Waiver Code.....Identifies whether a particular waiver code was associated with a particular USOC on the service order.

USOC Revenue.....Provides the monthly recurring charges associated with each individual USOC.

Nonrecurring charges can be waived by either of the following methods: an entry in the bill section of the order or an entry immediately adjacent to a particular USOC. Use or placement of certain waiver codes has the same practical effect, regardless of where it is placed on the service order. A description of waiver codes is below.

- (3) [W]hat it means if there is a blank as opposed to an entry in a particular place (does it always mean the same thing? Could it mean more than one thing? E.g., "the fact that there is a blank in the Account Waiver Code Column does not necessarily mean that nothing was waived, just that there was not a code for the waiver");

AT&T Response: There are two separate reasons that blanks appear on the provided spreadsheet. Some blanks are associated with the waiver code columns (both the Account Waiver Code column and the USOC Waiver Code column). Blanks also appear in the USOC Revenue column. AT&T will address these separately.

Under the Account Waiver Code column and the USOC Waiver Code column, a blank means that non-recurring charges were not waived. If there is an entry in the column, it means that certain non-recurring charges were waived. As discussed above, in the event the waiver was entered into the bill section that code will appear in the Account Waiver Code column adjacent to every appearance of the order number, regardless of whether that waiver code applies to that particular nonrecurring charge.

As to the second type of blank, the "USOC Revenue" column is populated with data drawn from a static table within the database that is refreshed at the end of each month. This was the only method by which AT&T could be responsive to dPi's request for recurring charges. This column matches the USOC listed in the "Service or Feature USOC" column from a particular service order with the monthly snapshot of the charges associated with the account number provided on the service order. If the USOC listed in the "Service or Feature USOC" column is no longer included in the billing data field in the static table, the system produces a blank (i.e., \$ -). This occurs when a customer establishes service on a particular day and then subsequently changes the ordered services/features (on a separate billing order). This type of change will eliminate or remove the type of service being billed, and thus nullify the services/features included in the initial "N" order.

- (4) [T]he acronyms used in the spreadsheet.

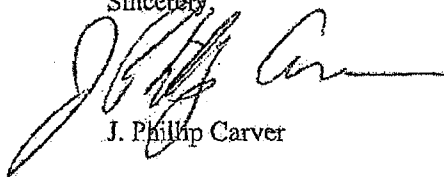
Below is a chart of each acronym that is included in the spreadsheet and the description of the acronym

Acronym	Description of Acronym
IFR	Flat rate line, residence
IFRCL	Flat rate line, residence with Caller ID
999VM	BellSouth Essentials, Credit Plan with BellSouth Voice Mail
BCR	TouchStar, call return, usage based blocking
BRD	TouchStar, repeat dialing, usage based blocking
BSCOS	Basic Class of Service
BVMRP	BellSouth Voice Mail, Residential Premium Mailbox
BVMRV	BellSouth Voice Mail, each mailbox
DRS	RingMaster Service, residence and business RingMaster I
DRS1X	RingMaster Service, residence and business RingMaster II, first additional telephone number with distinctive ringing, per line
DRS2X	RingMaster Service, residence and business RingMaster II, second additional telephone number with distinctive ringing, per line
ESC	Three way calling (non-packaged)
ESL	Speed calling (8 code) (non-packaged)
ESM	Activation/deactivation of call forwarding (non-packaged)
ESX	Call Waiting, per line,
ESXD9	Call Waiting, per line, deluxe, with conferencing, for Call Forward don't answer subscribers
ESXDC	Call Waiting, per line, deluxe, with conferencing
GCE	Call forwarding busy line, per CO line equipped
GCJ	Call forwarding don't answer, per CO line equipped
GCJRC	Call forwarding don't answer, per CO line equipped ring control
GCZ	Call forwarding, variable, remote activation, per line equipped
HBG	Denial of call tracing, per activation (where universal call tracing is activated)
HBV	Anonymous call rejection, per line
MBBRX	MemoryCall Answering Service, residence per month, each mailbox
MWW	Message waiting indication
MWWAV	Message waiting indication audio/visual
NSD	Caller ID, basic, number delivery, per line
NSQ	Repeat Dialing
NSS	Call Return, per line
NST	Call Tracing, per line
NSY	Call Block, per line
NXMCR	Caller ID Deluxe (name and number delivery), per line with Anonymous Call Rejection (ACR)

Acronym	Description of Acronym
PMX1R	Privacy Director(r) Service, residence, per line
USOC	Uniform Service Ordering Code
WLC	Waives only the Line Connection Charge
WNR	Waives all Non-Recurring Charge
WSO	Waives the Line Connection Charge or the Secondary Service Charge
VR5	Area Plus Service, residence, 40 mile radius (FL)
VR5CL	Area Plus Service, residence, 40 mile radius (FL) with Caller ID

I believe that the foregoing addresses all of your questions.

Sincerely,



J. Phillip Carver

cc: Lee Eng Tan



J. Phillip Carver
Senior Attorney
Legal Department

AT&T Florida
150 South Monroe Street
Suite 400
Tallahassee, FL 32301

T: 404.335.6710
F: 404.614.4054
j.carver@att.com

November 9, 2007

**VIA U.S. MAIL AND
ELECTRONIC MAIL**

Christopher Malish
Foster Malish Blair & Cowan LLP
1403 West Sixth Street
Austin, TX 78703

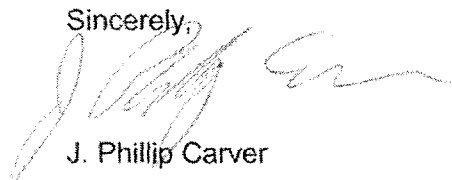
Re: **Docket No. 050863-TP: dPi Teleconnect, L.L.C. v. BellSouth
Telecommunications, Inc.**

Dear Mr. Malish:

Attached is AT&T Florida's Supplemental Response to dPi's First Request for Information, No. 1-19. As you know, the Pre-Hearing Officer ruled that AT&T Florida was required to provide only "the requested information for the period of July 2005 through July 2007." AT&T has already complied with this requirement. As I stated previously, both at the Pre-Hearing Conference and in previous filings, the information for the 2005-2007 time period was extracted from a system that does not have information any earlier than 2005. Nevertheless, through a great deal of time-consuming effort (much of which was manual), we were able to extract earlier information from a different data base. Thus, the attached electronic file contains the requested information for the time frame of January 1, 2003 through December 31, 2004. You will note that there are some slight differences in the format of the information in the attachment. Again, this is because a different database was utilized, and it was not possible to produce information that matched up exactly with that which was previously produced from a different database.

This information is confidential because it includes information about specific AT&T customers. For this reason, I am transmitting it to you in a password protected file. Someone from my office will call you with the password for the file. If you have not received this call by the end of the day, please call me at your earliest convenience, and I will give you the password.

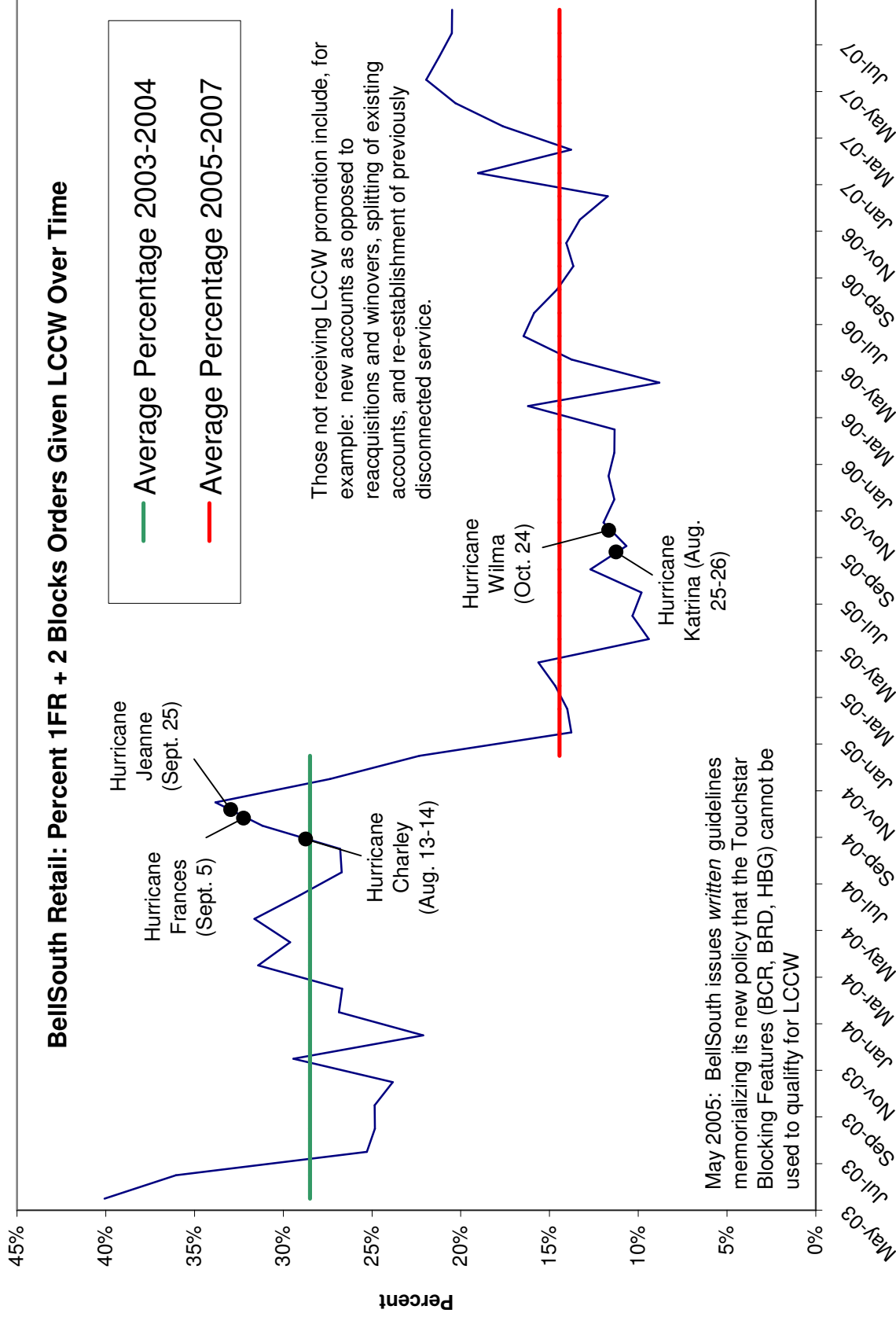
Sincerely,



J. Phillip Carver

cc: All Parties of Record

EXHIBIT 8C: CHARTS AND GRAPHS SHOWING
1FR + 2 BLOCKS IN FLORIDA



Hurricane Strength in Florida

Charley (a category 4 storm) passed through Florida August 13-14, 2004, from Punta Gorda on the Southwest coast to Orlando on the Mideast coast.

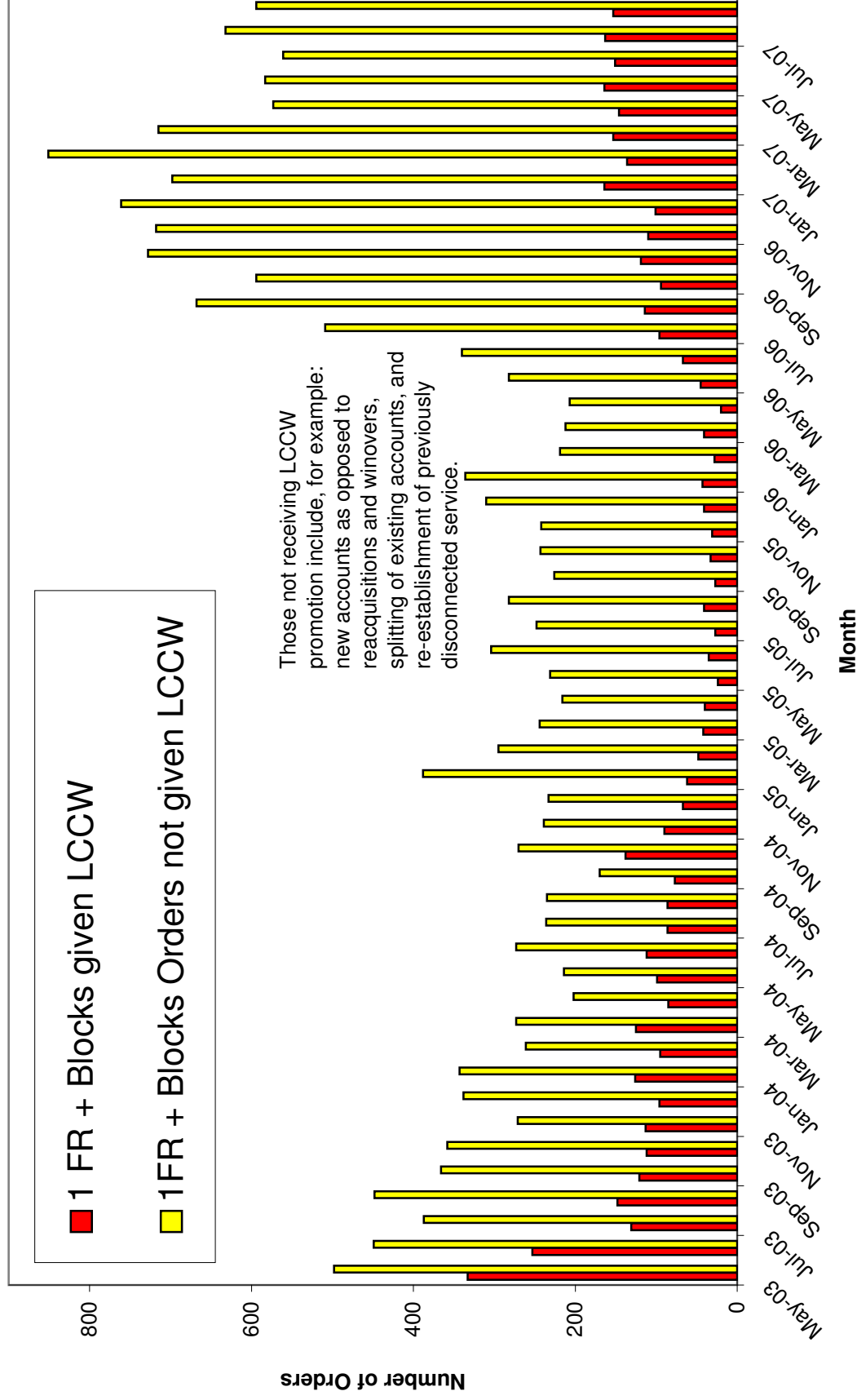
Frances (a category 2 storm) passed through Florida September 4 and 5, 2004, from near Sewall's Point on the east coast to Tampa on the Gulf, then up through the panhandle at St. Marks on September 5.

Jeanne (a category 3 storm) passed through Florida September 25, 2004, closely following Frances' path from the East coast till it reached Pasco County near the middle of the peninsula, where it went North up the middle of the state.

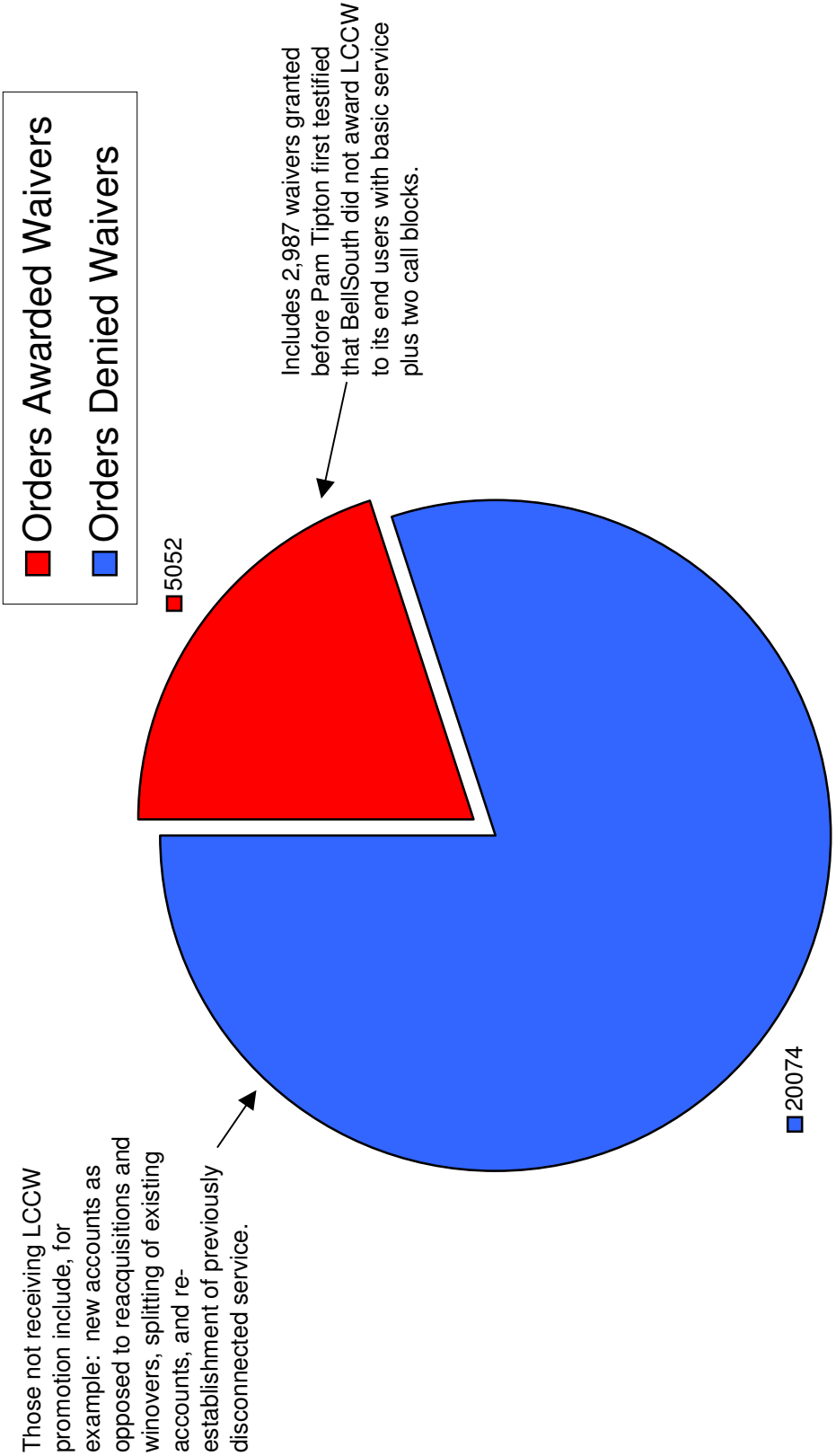
Katrina (a category 1 storm) passed over southern Florida and the Keys August 25 and 26.

Wilma (a category 4 storm) passed over southern Florida on October 24, 2005.

BellSouth Retail: **Comparison of 1 FR + Blocks Granted v. Not Granted Waiver Over Time**



**BellSouth Retail: Comparison of 1FR + 2 Blocks Orders Granted v. Not Granted LCCW from
May 2003 through August 2007**



**EXHIBIT 8D: RAW NUMBERS SHOWING 1FR + 2
BLOCKS IN FLORIDA**

Month	Number of Waivers	Number of orders of 1FR + 2 or more blocks	Percent awarded
May-03	333	831	40.07%
Jun-03	253	702	36.04%
Jul-03	131	518	25.29%
Aug-03	148	596	24.83%
Sep-03	121	487	24.85%
Oct-03	112	470	23.83%
Nov-03	113	384	29.43%
Dec-03	96	434	22.12%
Jan-04	126	469	26.87%
Feb-04	95	356	26.69%
Mar-04	125	398	31.41%
Apr-04	85	287	29.62%
May-04	99	313	31.63%
Jun-04	112	385	29.09%
Jul-04	86	322	26.71%
Aug-04	86	321	26.79%
Sep-04	77	247	31.17%
Oct-04	138	408	33.82%
Nov-04	90	329	27.36%
Dec-04	67	300	22.33%
Jan-05	62	450	13.78%
Feb-05	48	343	13.99%
Mar-05	42	286	14.69%
Apr-05	40	256	15.63%
May-05	24	255	9.41%
Jun-05	35	339	10.32%
Jul-05	27	275	9.82%
Aug-05	41	323	12.69%
Sep-05	27	253	10.67%
Oct-05	33	276	11.96%
Nov-05	31	273	11.36%
Dec-05	41	351	11.68%
Jan-06	43	379	11.35%
Feb-06	28	247	11.34%
Mar-06	41	253	16.21%
Apr-06	20	227	8.81%
May-06	45	327	13.76%
Jun-06	67	407	16.46%
Jul-06	96	605	15.87%
Aug-06	114	782	14.58%
Sep-06	94	688	13.66%
Oct-06	119	847	14.05%
Nov-06	110	828	13.29%
Dec-06	101	862	11.72%
Jan-07	164	862	19.03%
Feb-07	136	987	13.78%
Mar-07	153	868	17.63%
Apr-07	146	719	20.31%
May-07	164	747	21.95%
Jun-07	151	712	21.21%
Jul-07	163	795	20.50%
Aug-07	153	747	20.48%